

IPRS 4/73
GUO
26 Mar 73

COSTA RICA

REACTION TO ROBERT VESCO'S PRESS CONFERENCE

[Article; San Jose, La Nacion, Spanish, 8 March 1973, p 2]

"He Uses Violence"

Deputy Rafael A. Valladares Mora said yesterday, "I do not wish to comment on the publicity display of Robert Vesco in his televised presentation, since as chairman of the committee, I wish to maintain a moderating position that is consistent with the lofty investigation that has been entrusted to us. In reply to your questions, however, I can say that what struck me was the expression of bullying in his press conference."

He subsequently added, "There is no doubt that talking about cracking heads indicates that he uses violence as they did in Chicago in the 1930's. There is nothing for us to do but call Mr Vesco's announcement that he will request lifting the immunity for deputies an act of boasting. Strange doings, friend Sancho, and it would appear that we have not heard the last of this Mr Vesco in Costa Rica."

"Simple Bullying"

To Liberationist legislator Angel E. Solano Calderon, a member of the investigation committee, "the words of Robert Vesco are simply an expression of bullying that merits no comment by a Costa Rican legislator." Deputy Licentiate Jorge Solano Chacon, also a member of the investigation committee, said that he preferred to make no comment on the matter, "in order to avoid distortions. I am a member of the committee, and it is there where the speaking must be done."

"He Does Not Know What This Nation Is"

Deputy Oscar Saborio Alvarado said that "it was no foreigner who came to change the constitution of Costa Rica and to deprive the members of the first power of the republic of immunity."

He then added, "Amendments of the Magna Carta cannot be bought with the money of the mutual funds. Now it turns out that the turkey is firing

at the hunter, and the accused is saying what it is that he is going to demand of Costa Rican deputies. The same thing that happened to the 1856 invaders is happening to Mr Vesco, who has a total lack of knowledge of what this nation is. He and the leader of that war were brought to Costa Rica by political interests, but an English frigate saved Walker's life, and that opportunity does not present itself every day."

Saborio Alvarado continued, "He comes to make threats about cracking heads in our country, and for this he travels and appears in public accompanied by a bodyguard. This gentleman should be careful about cracking the head or touching an humble Costa Rican! When it is a matter of manifestations of manhood, he should keep in mind that the simplest Costa Rican has this just as he does, and that at the time for hoisting the banner of national honor, all of us shall be there. Thus, Mr Vesco should keep his bragadoccio to himself and take care to measure carefully the ground that he treads, as otherwise he could expose himself to a real surprise."

We are reproducing below parts of a statement by Dr Longino Soto Pacheco (the dots represent portions omitted by La Nacion):

"Last night we Costa Ricans who witnessed the 'show' of Mr Robert Vesco received notification not only that he enjoys the friendship of the executive power, but also that he dares to intimidate and threaten the first power of the country, the legislative power, in the person of certain of its members.

"He confessed the former in his speech, and this is confirmed by the fact, published in the newspapers, that members of the press office of the presidency made a gift to him of his appearance on the costly radio and television network. And they accompanied him at the Hotel Costa Rica, so that we Costa Ricans could take note that the protection was 'official' and so that Mr Vesco would feel at ease doing what he has not done in the United States, where he has problems with the Federal Securities Commission (SEC).

"It was truly unfortunate that his advisers did not accept my suggestion that I be permitted to appear with Mr Vesco to answer certain questions before the Costa Rican public, which would certainly have clarified his position with respect to what he is charged with and his antecedents. When I received a letter a few weeks ago from a Mr Caldart, director of one of the companies of Mr MacAlpin -- in which they took the liberty of suggesting to me what I should do -- I replied that I did not accept an insolent suggestion from a stranger with respect to my actions in matters which, as a deputy, I considered important for the country.

"Today I must tell Mr Vesco and his advisers that I do not accept threats of any kind from anyone, and that nothing will keep me from bringing to a conclusion the investigation in which I am engaged -- no matter who likes it or dislikes it, whether they are natives or not, and whatever the position they occupy, economic or political. The position for the domestic press last night was insulting, when they gave an interview saying on what

matters questions could be asked and on which they could not. El Diario de Costa Rica published a valiant editorial on 7 March which responded very well to the feelings of we Costa Ricans who feel that our honor and our freedom have been breached when this gentleman, whose only asset is that of being a millionaire, attempts to lay down the path to be followed even by the first power of the nation.

"He has knocked on the wrong door, and even though he enjoys the friendship and protection of the honorable President of the Republic -- with whom he is connected by very strong commercial bonds, since he has done business with him for many millions of dollars -- he will not prevent my bringing out into the public what I consider to be proper for my country. In his unfortunate speech last night, he threw into our faces the fact that he has helped SNAA and INVU. [Instituto Nacional de Vivienda y Urbanismo; National Institute of Housing and Urbanism] by buying 5 million dollars worth of bonds from them. What a great help! With an agreement for retroactive purchase. And these institutions will have to be in dire straits to ask him to buy these securities. . . . Help Costa Rica with these alms! They received help when, with the aid of Mr Figueres, they obtained the custody of over 60 million dollars from the Supreme Court of Justice of the Bahamas, where they were located when Arawak, the fiduciary of these securities, asked to be relieved of its obligations because of the poor shape being taken by the affairs of these 'large and important investors.' And in view of the natural impotence of not having another fiduciary, the Anglo-Costa Rican Bank was submitted from here to obtain the permission of the judge and to avert the liquidation of the company, and the return of what remained to its legal owners.

"When the Anglo Bank, in a laudable action, rejected this attempt, the President hurried to send the letter -- which many persons do not understand without an explanation -- requesting Judge Smith of the Supreme Court of Justice to accept Sion Plaza instead of the Anglo Bank as custodian of all these securities and funds in the amount of many millions of dollars... Everything was transferred immediately to a society formed two days previously for the express purpose of receiving and not acting as custodian for so many millions. This action was carried out by the President of Costa Rica in that capacity, and not as Jose Figueres, from whom they had borrowed or bought stock in their companies with these or similar funds in the amount of millions of dollars.

"This is the money that is going to save Costa Rica from underdevelopment. Are these the entrepreneurs who, with their connections in Costa Rica, are going to change the flow of money from investors toward the poor countries? . . . I would have liked to finance an hour following that masquerade last night, since they did not answer any questions, in order to explain to Costa Ricans the . . . the gyrations of these 'investors,' because I consider their presence and their activities in our country very dangerous. . . ."

GOVERNMENT USE ONLY

We Shall Never Accept His Lack of Respect

Statements of Licentiate Jenaro Valverde Marin which we are reproducing in part. The dots indicate portions that have been omitted by the management of the newspaper:

"We Costa Ricans have felt indignant in the face of the series of disrespectful and high-flown statements of multimillionaire Robert Vesco. . . who, utilizing his economic power, attempts to come to us and present himself in Costa Rica as the fourth member of the Holy Trinity. We are not the ones who have invented the story of Robert Vesco. . . It is the great newspapers with international prestige that report on the maneuvers of this financier of a new mark. Also the Security Commission of the United States, a prestigious commission trusted by all U.S. investors, has made a lengthy charge against Mr Vesco. Nevertheless, Robert Vesco would have us believe from his speech that the SEC is an unimportant commission that is unscrupulously attempting to detract from his prestige, probably because it is jealous of him. This is not so, gentlemen.

"Mr Robert Vesco is one of the many financiers who have carried out operations in the international field. . . that have given rise to the trials with which we are familiar and which are going on in the United States. It is not Mr Robert Vesco who can show us the path that we should follow in Costa Rica. It is not Mr Robert Vesco with his dollars and investments -- which are far from being what the country needs -- who is going to lay out for us the objective which we must choose. We can never accept Mr Robert Vesco's failure to have respect for the first power of the nation.

"Now he is threatening not only Costa Ricans in general, but also deputies. No, Mr Vesco, you are not going to intimidate any Costa Rican... Why does he carry a Costa Rican passport? Why does he want to come to Costa Rica? What exactly is it that has happened in the United States and in other countries of the world? Why does the world press speak negatively of you? It is not precisely as I indicated in the beginning, because you represent the fourth member of the Holy Trinity. No, Mr Vesco. . . your threats will not silence us.

"Neither are we going to be silenced by the persons whom you paid to write the unfortunate article that you read on television and radio. These so-called Costa Rican citizens -- we already know them and we know what they are capable of for a few cents, of putting themselves in your service to protect your harassed interests, with total lack of concern for the prestige of Costa Rica. Mr Robert Vesco . . . had an opportunity. He achieved a result that was favorable for him, but to the detriment of a number of investors all over the world. And he should not come now to tell us that he is Saint Nicholas, the protector of Costa Rica; that he comes from the United States out of concern to see that savings are channeled from the large countries to the small ones; and that the SEC has no interest in such a proposal . . .

"We are quite familiar with the international institutions such as the IDB and the IBRD, and many other United States banks, that are prepared to make available to us the funds which we need. You are not the one, Mr Vesco, who is going to change the problem of income distribution in the world . . . We accept your challenge. And it will not be you, an unknown foreigner . . . who leads the Costa Ricans. You cannot threaten us with discontinuing your investments in Costa Rica. It will be a happy time when you stop doing so. This is not the right kind of money for our country."

Jenaro Valverde Marin
Deputy

Private Secretary of R. Vesco Is a Cuban

In the story on the press conference given yesterday by Mr Robert Vesco, Mr J. Raul Espinoza, the private secretary of Mr Vesco, was called a Puerto Rican. He is a Cuban.

6202

CSO: 4200-W